

DANACED  
NOTE  
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LISTING STATEMENT NO. 1166.

LISTED APRIL 3, 1939  
136,279 common shares of no par value.  
Ticker Abbreviation BCK  
Dial Ticker Number 377

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

BRITISH COLUMBIA PACKERS LIMITED

(An operating company incorporated under the Laws of the Dominion of Canada, May 18, 1928  
as amended by Supplementary Letters Patent dated May 27, 1929 and November 5, 1935).

COMMON STOCK WITHOUT NOMINAL OR PAR VALUE (VOTING)

1. BRITISH COLUMBIA PACKERS LIMITED (hereinafter called the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 136,279 common shares without nominal or par value.

2. CAPITALIZATION AS AT JANUARY 31st, 1939

STOCK	Par value	Authorized	Issued and Outstanding	To be Listed
Common	None	390,994	*136,279	*136,279

\*In addition 31,500 shares are reserved for conversion of the present issue of convertible 5% 15-year bonds. Conversion privilege expires December 1, 1943.

FUNDED DEBT

First Mortgage Bonds	—	\$2,000,000	—	None
4% Serial Bonds, Series "A" due Dec. 1, 1939-1941	—	—	\$150,000	None
4½% Serial Bonds, Series "A" due Dec. 1, 1942-1944	—	—	\$150,000	None
5% Convertible Bonds, Series "A" due Dec. 1, 1953	—	—	\$700,000	None
Second Mortgage (Closed) Debentures	—	\$411,000	\$411,000	None

Vancouver, British Columbia, March 1, 1939

SHARES FULLY PAID

3. The issued capital stock of the Company consisting of common shares is fully paid and non-assessable and no personal liability attaches to ownership.

SHARE ISSUES

4. Present outstanding stock of the company was issued to carry out a plan of reorganization confirmed by Supplementary Letters Patent dated November 5, 1935. Of the 136,279 no par value shares issued, 98,512½ replaced 39,405 outstanding 7% cumulative \$100 par value preferred, the basis of exchange being 2½ new no par common for each old preferred; 27,766½ were given in exchange for 277,665 old no par value common, the basis of exchange being one new for 10 old; while the remaining 10,000 were issued to H. R. MacMillan Export Company Limited as compensation for the loss of the services of its president H. R. MacMillan.

STOCK PROVISIONS AND VOTING POWERS

5. The common stock has one vote per share.

This listing statement is a copy of the listing application made or approved by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.



## DIVIDENDS

6. Dividends paid on the old preferred stock were:

<u>Date</u>	<u>Amount</u>	<u>Total</u>
June 30th, 1929	\$1.75	\$ 68,474.00
Oct. 1st, 1929	1.75	68,474.00
Jan. 2nd, 1930	1.75	68,474.00
April 1st, 1930	1.75	69,223.00
July 1st, 1930	1.75	69,223.00
Oct. 1st, 1930	1.75	69,223.00
		<u>\$413,091.00</u>

Preferred dividends accrued up to October 1st, 1935, amounted to \$35 per share and were extinguished by the plan of reorganization referred to in paragraph No. 4 of this listing application. No dividends have been paid on the old common or on the present common shares.

## FUNDED INDEBTEDNESS

7. First Mortgage Bonds;

First mortgage bonds have been issued as series "A" bonds to the extent of \$1,000,000 principal amount, designated as follows:-

First Mortgage Serial Bonds 4% Series "A", \$150,000 maturing at the rate of \$50,000 annually December 1st 1939 to 1941 inclusive.

First Mortgage Serial Bonds 4½% Series "A", \$150,000 maturing at the rate of \$50,000 annually December 1st 1942 to 1944 inclusive.

\$700,000 Convertible 5% First Mortgage Bonds Series "A" due December 1st 1953.

The last mentioned \$700,000 5% bonds are convertible into common shares on the following basis. The first \$350,000 principal amount presented for conversion are convertible into no par value common shares of the Company on the basis of 5 shares for each \$100 principal amount of bonds. The last \$350,000 principal amount are convertible on the basis of 4 shares for each \$100 principal amount of bonds. The conversion privilege extends to and includes December 1st, 1943. Appropriate provisions are contained in the trust deed securing the first mortgage bonds restricting the Company from selling shares of its common stock below the lowest prevailing conversion price of this issue or otherwise diluting its common stock, so long as the conversion privilege is in force.

All of these bonds are dated as of December 1st, 1938, and interest runs from said date payable half-yearly June 1st and December 1st. The bonds were actually issued (in temporary form) on January 4th, 1939, when the total purchase price, namely \$953,950, with accrued interest as from December 1st, 1938, was received by the Company and applied to retire the Company's outstanding first mortgage debentures, aggregating \$135,500; to retire mortgages amounting to \$60,000, and the remainder to the reduction of bank loans.

These bonds are in the opinion of Counsel secured by a trust deed constituting (1) a first fixed specific mortgage and charge upon all the presently owned and future acquired freehold and leasehold lands of the Company and all its buildings, plant, equipment and other fixed assets, registered boats and registered scows (excepting the properties described or referred to in a schedule to the trust deed having an aggregate depreciated book value of not more than \$75,000, of which none shall be essential to the Company in the conduct of its business) and on all the Company's shares of subsidiary companies (excepting qualifying Directors' shares); and (2) a first floating charge on the undertaking and all other present and future assets of the Company not included in the foregoing fixed and specific charge.

The Company has covenanted that as long as any of the bonds of the Company secured by the trust deed are outstanding, it will not declare nor pay any dividends on its common shares at any time when the net working capital of the Company is less than \$1,500,000, or the declaration or payment of which would reduce the net working capital below that amount.

An annual cumulative sinking fund commencing December 1st, 1945, will be provided for the exclusive benefit of the convertible 5% 15-year series "A" bonds maturing December 1st, 1953, sufficient to retire the whole issue by maturity.

The 4% and the 4½% series "A" bonds are redeemable at any time prior to maturity on not less than thirty days' notice at 101% of the principal amount thereof. The 5% series "A" bonds are redeemable at any time prior to maturity on not less than thirty days' notice at 105% if redeemed on or before 1st December 1941, and thereafter at 104% if redeemed on or before 1st December 1944, and thereafter at 103% if redeemed on or before 1st December 1947, and thereafter at 102% if redeemed on or before 1st December 1950, and thereafter at 101% if redeemed prior to maturity.

### Second Mortgage (Closed) Debentures;

This issue is limited to \$411,000 serial 4% debentures dated December 1st 1938 and maturing serially to the amount of \$50,000 July 1st 1939 to 1945, and \$61,000 July 1st, 1946. These debentures are in the opinion of counsel secured by a trust deed constituting (1) a first fixed specific mortgage and charge upon all the presently owned and future acquired freehold and leasehold lands of the Company and all its buildings, plant, equipment and other fixed assets, registered boats and registered scows (excepting the properties described or referred to in a schedule to the trust deed having an aggregate



depreciated book value of not more than \$75,000, of which none shall be essential to the Company in the conduct of its business) and on all the Company's shares of subsidiary companies (excepting qualifying directors' shares); and (2) a first floating charge on the undertaking and all other present and future assets of the Company not included in the foregoing fixed and specific charge, ranking next after the trust deed securing the Company's first mortgage bonds. These debentures were issued and are now held as collateral security to a debt of the Company.

#### OPTIONS AND UNDERWRITINGS

8. There are no outstanding underwriting, option, sale agreement, purchase warrants, or other contracts or agreements of like nature with respect to any unissued shares, bonds or other securities or any issued shares, bonds or other securities held for the benefit of the Company, except that the convertible 5% 15-year first mortgage bonds series "A" are convertible into common shares of the Company as mentioned in paragraph 7.

#### NATURE OF BUSINESS

9. The Company is the largest packer of fish and fish products in Canada and its operations include the production of canned salmon, pilchards, clams, oysters, herring, fish meal, fish oils and dog food.

#### PRODUCTION

10. In the period from January 1st to October 31st, 1938, the Company's production included 617,798 cases of fish; 1,137,787 gallons of oil, and 5,573 tons of meal.

#### PROPERTIES

11. Properties owned and operated by the Company are located on the coast of the British Columbia mainland and on Vancouver and Queen Charlotte Islands. The Company owns 9 fully equipped modern canneries, 7 oil and meal plants, 26 large fishing stations with housing accommodation and fishing gear facilities, dry salteries, a shipyard and also 10 stores which are continuously operated. The Company's fleet includes 46 modern power boats of the larger type and in addition numerous smaller power craft.

#### HISTORY AND EXTENT OF OPERATIONS

12. The Company was incorporated under the laws of the Dominion of Canada on May 18th, 1928, and carries on a business originally established in 1876. The Company provides employment for in excess of 4,000 people at the peak of the season. In 1937 it brought into British Columbia from the sale of its products, approximately \$4,800,000, of which some \$2,800,000 was from outside of Canada.

Export business of the Company is extensive and long established and in 1937 amounted to about 60% of the Company's production of canned goods. In addition to the domestic market the Company sells its products to 25 countries, the chief of which are the United Kingdom, Australia, New Zealand, France, Belgium and South Africa.

#### ORGANIZATION, CAPITAL AND CHARTER CHANGES

13. The Company was incorporated by Letters Patent dated the 18th day of May, 1928, under the authority of the First Part of Chapter 27 of the revised Statutes of Canada, 1927, known as "The Companies Act" and amending Acts. Original capital stock consisted of an authorized 50,000 7% cumulative \$100 par value preferred shares and 300,000 no par value common, and this was replaced by the presently authorized 390,994 no par value common shares.

#### SUBSIDIARY COMPANIES

14. The Company owns all of the issued shares of the following subsidiary companies, all incorporated under the Companies Act of British Columbia:—

<u>Name of Company</u>	<u>Date of Incorporation</u>	<u>Capital</u>	<u>Amount Issued</u>
The Packers Steamship Company Limited	December 9th, 1902	2,000 shares of \$100 each	1,253
Wallace Fisheries Limited	November 19th 1934	10,000 shares of \$1 each	3
Gosse Packing Company Limited	November 19th, 1934	10,000 shares of \$1 each	3
Millerd Packing Company Limited	November 19th, 1934	10,000 shares of \$1 each	3
British Columbia Fishing & Packing Company Limited	November 19th, 1934	10,000 shares of \$1 each	3

#### LISTING ON OTHER STOCK EXCHANGES

15. Montreal Curb and Vancouver Stock Exchanges.

#### DATE WHEN FISCAL YEAR ENDS

16. April 30th.

#### ANNUAL MEETING

17. At the call of directors at the head office of the Company.

#### HEAD OFFICE

18. Foot of Campbell Avenue, Vancouver, Canada.



## TRANSFER AGENT

19. The London & Western Trusts Company Limited, Toronto, Ontario and Vancouver, B. C.  
Co-Transfer Agent, Chartered Trust and Executor Company, Montreal, Quebec. There is no fee for transfer of certificates.

## REGISTRAR

20. The London & Western Trusts Company, Limited, Toronto, Ontario and Vancouver, B. C.

## OFFICERS

- | 21. | <i>Name</i>          | <i>Position Held</i>               | <i>Address</i>                            |
|-----|----------------------|------------------------------------|---|
|     | H. R. MacMillan..... | <i>President</i> .....             | 837 West Hastings Street, Vancouver, B.C. |
|     | Stanley Burke.....   | <i>Vice-President</i> .....        | 3012 S.W. Marine Drive, Vancouver, B.C.   |
|     | J. M. Buchanan.....  | <i>General Manager</i> .....       | 4537 Angus Drive, Vancouver, B.C.         |
|     | S. K. Murray.....    | <i>Asst. General Manager</i> ..... | 1476 West 26th Avenue, Vancouver, B.C.    |
|     | G. M. Ferguson.....  | <i>Secretary-Treasurer</i> .....   | 1126 Cypress Street, Vancouver, B.C.      |

## DIRECTORS

- | 22. | <i>Name</i>           | <i>Address</i>                                |
|-----|-----------------------|---|
|     | H. R. MacMillan.....  | 837 West Hastings Street, Vancouver, B.C.     |
|     | George Kidd.....      | 525 Seymour Street, Vancouver, B.C.           |
|     | Gordon Farrell.....   | 768 Seymour Street, Vancouver, B.C.           |
|     | Austin C. Taylor..... | 555 Burrard Street, Vancouver, B.C.           |
|     | Stanley Burke.....    | 3012 S.W. Marine Drive, Vancouver, B.C.       |
|     | J. S. McLean.....     | c/o Canada Packers Limited, Toronto, Ontario. |
|     | J. H. Gundy.....      | 36 King Street West, Toronto, Ontario.        |
|     | W. J. Van Dusen.....  | 1390 Minto Crescent, Vancouver, B.C.          |
|     | J. P. D. Malkin.....  | 3463 Marine Drive, Vancouver, B.C.            |
|     | F. E. Burke.....      | 402 West Pender Street, Vancouver, B.C.       |
|     | A. H. Williamson..... | 744 West Hastings Street, Vancouver, B.C.     |

## CERTIFICATE

"Pursuant to a resolution duly passed by its Board of Directors, the applicant company hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct".

Dated this 2nd day of February, 1939.



BRITISH COLUMBIA PACKERS LIMITED,

"H. R. MACMILLAN",  
President.

"G. M. FERGUSON",  
Secretary.

## NUMBER OF SHAREHOLDERS AS AT JANUARY 9, 1939.

Number	Shares
1,257 Holders of 1 to 100 share lots.....	19,088
50 Holders of 101 to 200 " " .....	7,368
27 Holders of 201 to 300 " " .....	6,513
5 Holders of 301 to 400 " " .....	1,756
11 Holders of 401 to 500 " " .....	4,986
16 Holders of 501 to 1000 " " .....	12,199
16 Holders of 1001 up " " .....	81,159
1,382 Stockholders	Total Shares..... 133,069



# FINANCIAL STATEMENTS

Note: Since issuance of the following financial statements, the Company has made changes in funded indebtedness and bank loans, information on which is given in paragraph 7, page 2 of this listing statement.

## BRITISH COLUMBIA PACKERS LIMITED AND SUBSIDIARY COMPANIES CONSOLIDATED BALANCE SHEET AS AT OCTOBER 31, 1938

### ASSETS

#### Current and Working Assets:

Inventories—as determined and certified to by a responsible official of the Company—

Canned Salmon, Pilchards, Meal and Oil, etc., on hand and in transit, valued on the basis of (a) proportion sold under sales contracts at net selling value (b) balance at cost or market value whichever is lower. . . . . \$ 2,805,611.05

Store Merchandise, Cans, New Nets, Labels, etc.—as valued by the Management. . . . . \$ 248,812.46

Used Nets, Fishing and Operating Supplies—as valued by the Management. . . . . 182,263.98 431,076.44

\$ 3,236,687.49

Expenditures applicable to future operations. . . . . 19,070.11

fish meals and oils were built on the Company's properties at Imperial Cannery on the Fraser River at Steveston, and at Port Edward on the Skeena River near Prince Rupert. The capacity of the reduction plant at Namu was increased. The canneries and floating equipment were improved in operating efficiency. The subsequent season's operations justified these expenditures.

The plant and fleet of The Quathiaski Canning Co., Ltd., at Quathiaski, between Vancouver Island and the Mainland, north of Vancouver, were purchased in November, 1937. This purchase is expected to improve the Company's position in this important fishing area.

The extension of operations of the Company called for increases in staff. Mr. S. K. Murray, who had been sales manager for some years, was promoted to assistant general manager. Mr. E. G. Hurrell was appointed sales manager. C. R. Elsey, M.A., Ph.D., who has been an important officer of the Dominion Biological Board, was appointed to take charge of research and the development of new products for the Company.

Your Company in 1937 added to its line of canned goods under the "Clover Leaf" label, Canned Clams and Clam Broth, two very promising products which are meeting with satisfactory success.

It is fitting to call to your attention that this Company and its predecessors have been important operating factors in the fishing industry of British Columbia continuously since 1876. Ewen Cannery, erected in 1876 by Alexander Ewen, is still owned by the Company. Mr. Ewen was a partner in the first commercial cannery built in British Columbia.

Of the many valuable labels used by the Company it is interesting to note that the famous "Clover Leaf"

#### Deferred Liabilities:

Mortgages Payable in annual instalments to April 1, 1940. . . . . \$ 60,000.00

Bills Payable—payment of which is deferred under terms of agreement, secured by first charge on \$1,050,000.00 Second Mortgage Debentures. . . . . 411,000.00

471,000.00

#### Five Per Cent First Mortgage Debentures:

Redeemable by semi-annual payments of \$15,000.00 each. . . . . 135,500.00

#### Second Mortgage Debentures maturing December 31, 1960 (Non Interest Bearing):

Issued and held as security for repayment of liabilities as shown above. . . . . \$ 1,050,000.00

#### Capital and Earned Surplus:

##### Capital—

##### Authorized:

390,994 Common Shares—no par value.

##### Issued:

136,279 Common Shares—no par value . . . . . \$ 3,600,000.00

Earned Surplus per statement attached. . . . . 223,346.37

3,823,346.37

#### Contingent Liabilities:

Bills under Discount, etc. . . . . \$745,361.56

£9,292.13.9.

\$ 7,229,814.32

Submitted with our Report dated November 28, 1938.

"PRICE, WATERHOUSE & CO.",  
Chartered Accountants.



**BRITISH COLUMBIA PACKERS LIMITED**  
AND SUBSIDIARY COMPANIES

**STATEMENT OF CONSOLIDATED EARNED SURPLUS ACCOUNT**  
**For the Two Years and Ten Months Ended October 31, 1938**

Deficit as at December 31, 1935.....	\$	32,249.92
<b>Add—Profits per Statement attached:</b>		
Year ended December 31, 1936.....	\$	100,047.34
Year ended December 31, 1937.....		63,778.90
Ten months ended October 31, 1938.....		88,402.20
		<u>252,228.44</u>
<b>Add—</b>	\$	219,978.52
Adjustments (net) relating to periods prior to October 31, 1937.....		3,367.85
Earned Surplus as at October 31, 1938.....	\$	<u>223,346.37</u>

**COMPARATIVE CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**For the Two Years and Ten Months Ended October 31, 1938**

ZZ.	NAME	Address
	H. R. MacMillan.....	837 West Hastings Street, Vancouver, B.C.
	George Kidd.....	525 Seymour Street, Vancouver, B.C.
	Gordon Farrell.....	768 Seymour Street, Vancouver, B.C.
	Austin C. Taylor.....	555 Burrard Street, Vancouver, B.C.
	Stanley Burke.....	3012 S.W. Marine Drive, Vancouver, B.C.
	J. S. McLean.....	c/o Canada Packers Limited, Toronto, Ontario.
	J. H. Gundy.....	36 King Street West, Toronto, Ontario.
	W. J. Van Dusen.....	1390 Minto Crescent, Vancouver, B.C.
	J. P. D. Malkin.....	3463 Marine Drive, Vancouver, B.C.
	F. E. Burke.....	402 West Pender Street, Vancouver, B.C.
	A. H. Williamson.....	744 West Hastings Street, Vancouver, B.C.

**CERTIFICATE**

“Pursuant to a resolution duly passed by its Board of Directors, the applicant company hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof

**TO THE DIRECTORS OF BRITISH COLUMBIA PACKERS LIMITED**

We have made an examination of the books and accounts of British Columbia Packers Limited and its Subsidiary Companies as at October 31, 1938, and have received all the information and explanations we have required, and we report that, in our opinion, the attached Consolidated Balance Sheet as at October 31, 1938, and accompanying Statements of Earned Surplus and Comparative Profit and Loss Account for the two years and ten months ended October 31, 1938, are properly drawn up and exhibit a true and correct view of the affairs of the combined Companies and the results of their operations for the period stated, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

Vancouver, B.C., November 28, 1938.

“PRICE, WATERHOUSE & CO.”,  
Chartered Accountants.

**REPORT OF PRESIDENT DATED APRIL 6, 1938**

To the Shareholders

BRITISH COLUMBIA PACKERS LIMITED:

Your directors submit herewith the consolidated balance sheet as at December 31st, 1937, and the consolidated statement of profit and loss and earned surplus account of the Company for the fiscal year ended December 31st, 1937.

The profit and loss account shows a profit of \$63,778.90, equal to 1.48% on net sales of products. The comparatively poor run of pilchards in Canadian waters, and of coho and chums, together with the low price of herring oil, tended to reduce the profit from the Company's operations.

The inventory position has been improved during the past twelve months.



The importance of the Company's operations to the public is shown by the following analysis of the distribution of the Company's gross income for the year 1937:

		Per Cent of Gross Income
Gross income from sale of all products and store merchandise .....	<u>\$ 4,966,357.24</u>	100%
This income disposed of as follows:		
Paid for fish .....	2,017,497.91	41
Wages paid direct in production and selling .....	666,569.03	13.4
Goods, supplies and services purchased from others, including taxes .....	1,946,477.68	39
Depreciation .....	272,033.72	5.4
Net profit (to be accumulated for the account of common shareholders.)	63,778.90	1.2
	<u>\$ 4,966,357.24</u>	<u>100%</u>

The net profit on goods produced equalled one-tenth of one cent per pound, an entirely inadequate return for the capital employed and the functions performed.

During the year your Directors pursued a policy of extending the Company's operations and improving the Company's plants and personnel. The reduction plant and fishing fleet of Butterfield, Mackie & Co., Ltd. at Ecoole, on the west coast of Vancouver Island, were purchased in March, 1937. Plants for the production of fish meals and oils were built on the Company's properties at Imperial Cannery on the Fraser River at Steveston, and at Port Edward on the Skeena River near Prince Rupert. The capacity of the reduction plant at Namu was increased. The canneries and floating equipment were improved in operating efficiency. The subsequent season's operations justified these expenditures.

The plant and fleet of The Quathiaski Canning Co., Ltd., at Quathiaski, between Vancouver Island and the Mainland, north of Vancouver, were purchased in November, 1937. This purchase is expected to improve the Company's position in this important fishing area.

The extension of operations of the Company called for increases in staff. Mr. S. K. Murray, who had been sales manager for some years, was promoted to assistant general manager. Mr. E. G. Hurrell was appointed sales manager. C. R. Elsey, M.A., Ph.D., who has been an important officer of the Dominion Biological Board, was appointed to take charge of research and the development of new products for the Company.

Your Company in 1937 added to its line of canned goods under the "Clover Leaf" label, Canned Clams and Clam Broth, two very promising products which are meeting with satisfactory success.

It is fitting to call to your attention that this Company and its predecessors have been important operating factors in the fishing industry of British Columbia continuously since 1876. Ewen Cannery, erected in 1876 by Alexander Ewen, is still owned by the Company. Mr. Ewen was a partner in the first commercial cannery built in British Columbia.

Of the many valuable labels used by the Company it is interesting to note that the famous "Clover Leaf" label, owned by this Company, has been on the market in Canada since 1889. The Company now benefits by the experience gained through two generations of operations in the fishing industry of British Columbia and by the reputation the "Clover Leaf" label has earned with the Canadian consumer during the fifty years of continuous service completed this year.

The conservation measures necessary to maintain and increase the supply of commercial fish in Canadian Pacific waters, throughout which your Company operates, benefit by the constant supervision of the Dominion and Provincial Fishery Departments and are being continually improved and augmented. The naming of the International Committee to study and restore the Fraser River Fisheries contributed an important forward step during the year.

The first mortgage debentures were, during the fiscal year of 1937, reduced to \$189,000.00, and now stand at \$164,000.00.

Due to the extension of the seasonal period of operation, your directors consider it would be more convenient to have the fiscal year end as at April 30th, and to effect this change have called a special general meeting for April 28th, 1938, immediately preceding the annual general meeting.

The Company benefits greatly by the enthusiastic and untiring efforts of the management and staff, to whom the thanks of the shareholders are hereby tendered.

Respectfully submitted,

Vancouver, Canada,  
April 6th, 1938.

"H. R. MacMILLAN",  
President.



**BRITISH COLUMBIA PACKERS LIMITED**  
AND SUBSIDIARY COMPANY

**CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1937**

**ASSETS**

**Current and Working Assets:**

**Inventories as determined and certified to by a responsible official of the Company—**

Canned Salmon, Pilchards, Meal and Oil, etc., on hand, valued on the basis of		
(a) proportion sold under sales contracts at net selling value (b) balance at cost or market value whichever is lower . . . . .	\$ 1,621,392.14	
Store Merchandise, Cans, New Nets, Labels, etc.,—at cost or market whichever is lower . . . . .	\$ 229,253.84	
Used Nets, Fishing and Operating Supplies—as valued by the management . . . . .	187,176.67	416,430.51
		\$ 2,037,822.65
Expended on 1938 Pack . . . . .		41,322.38

**Sundry Debtors—**

Trade Bills and Accounts Receivable, Advances to Fishermen and others, secured and unsecured—less Reserve . . . . .	327,478.55	
Cash on Hand . . . . .	4,866.44	
		\$ 2,411,490.02

**Capital Assets:**

Buildings, Plant, Machinery, etc., at replacement values as appraised in 1929 by the Canadian General Appraisal Co. Ltd. plus the cost of subsequent additions . . . . .	\$ 4,547,083.33	
Floating Equipment at Book values . . . . .	711,551.38	
	\$ 5,258,634.71	

**Less—**

Reserve for Depreciation . . . . .	3,109,446.98	\$ 2,149,187.73
Land, Leases, Licences, etc.—at book values . . . . .	1,226,473.21	3,375,660.94

Deferred Charges . . . . .		43,438.87
		<u>\$ 5,830,589.83</u>

**LIABILITIES**

**Current Liabilities:**

Bank Loans and Overdrafts secured under Section 88 of the Bank Act and by second charge on \$1,050,000.00 Second Mortgage Debentures . . . . .	\$ 1,148,746.73	
Sundry Creditors including Accrued Interest, etc. . . . .	230,060.55	
Reserve for Income and Other Taxes . . . . .	25,206.23	
		\$ 1,404,013.51

**Deferred Liabilities:**

Mortgages Payable in annual instalments to April 1, 1940 . . . . .	\$ 95,000.00	
Bills Payable—payment of which is deferred under terms of agreement, secured by first charge on \$1,050,000.00 Second Mortgage Debentures . . . . .	411,000.00	
		506,000.00

**Five per cent First Mortgage Debentures:**

Redeemable by semi-annual payments of \$15,000.00 each . . . . .		189,000.00
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**Second Mortgage Debentures maturing December 31, 1960 (Non Interest Bearing):**

Issued and held as security for repayment of liabilities as shown above	<u>\$ 1,050,000.00</u>	
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**Capital and Earned Surplus:**

**Capital—**

**Authorized:**

390,994 Common Shares—no par value.

**Issued or to be Issued:**

136,279 Common Shares of no par value of which 132,185.5 shares have been issued and the balance of 4,093.5 shares are to be issued in exchange for shares, in accordance with the scheme of reorganization dated October 21, 1935. . . . . \$ 3,600,000.00

**Earned Surplus—**

Per Statement attached . . . . .	131,576.32	3,731,576.32
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**Contingent Liabilities:**

Bills under Discount, etc. . . . .	\$ 278,081.49	
	<u>£ 18,634.14.9</u>	

\$ 5,830,589.83

**Approved on behalf of the Board:**

“H. R. MacMILLAN”, Director.

“S. BURKE”, Director.